



City of Santa Barbara
Airport Department

DATE: January 15, 2014
TO: Airport Commission
FROM: Hazel Johns, Acting Airport Director *HJ*
SUBJECT: Market Rate Rental Adjustment - La Patera Investors, LP

RECOMMENDATION:

That the Airport Commission approve and authorize the Acting Airport Director to execute a market rate rental adjustment with La Patera Investors, L.P., a California Limited Partnership, reducing the rent from \$.21 to \$.18 per square foot per month.

DISCUSSION:

The subject premises are located north of Hollister Avenue at 80 South La Patera Lane, in an Airport Industrial (AI-1) zone and are used primarily for parking for the adjacent fee owned property, which is located in the City of Goleta.

On January 8, 1998, the City entered into a five-year lease with four five-year options, (Agreement No. 19,067) with La Patera L.L.C. for 41,760 square feet of improved land for outside storage and parking in conjunction with the adjacent property, which they own. The first three of the five-year options have been exercised. The lease expires on January 7, 2023. City Council approved the Assignment of Lease Agreement No. 19,067, as amended, to La Patera Investors, L.P January 29, 2002.

The exercise of La Patera's latest option includes a rental adjustment to market rate.

La Patera's current rent is \$.21 per square foot or \$8,708 per month. Unpaved land at the Airport averages between \$.15 and \$.18 per square foot. La Patera's current rate is consistent with paved parcels, where the Airport has provided the improvements, but above market for unimproved land.

Based on the fact that the lot is above market for ground rent, Staff is recommending a market rate rental adjustment to \$.18 per square foot or \$7,517 per month.

PREPARED BY: Business & Property Division

ATTACHMENT: Map

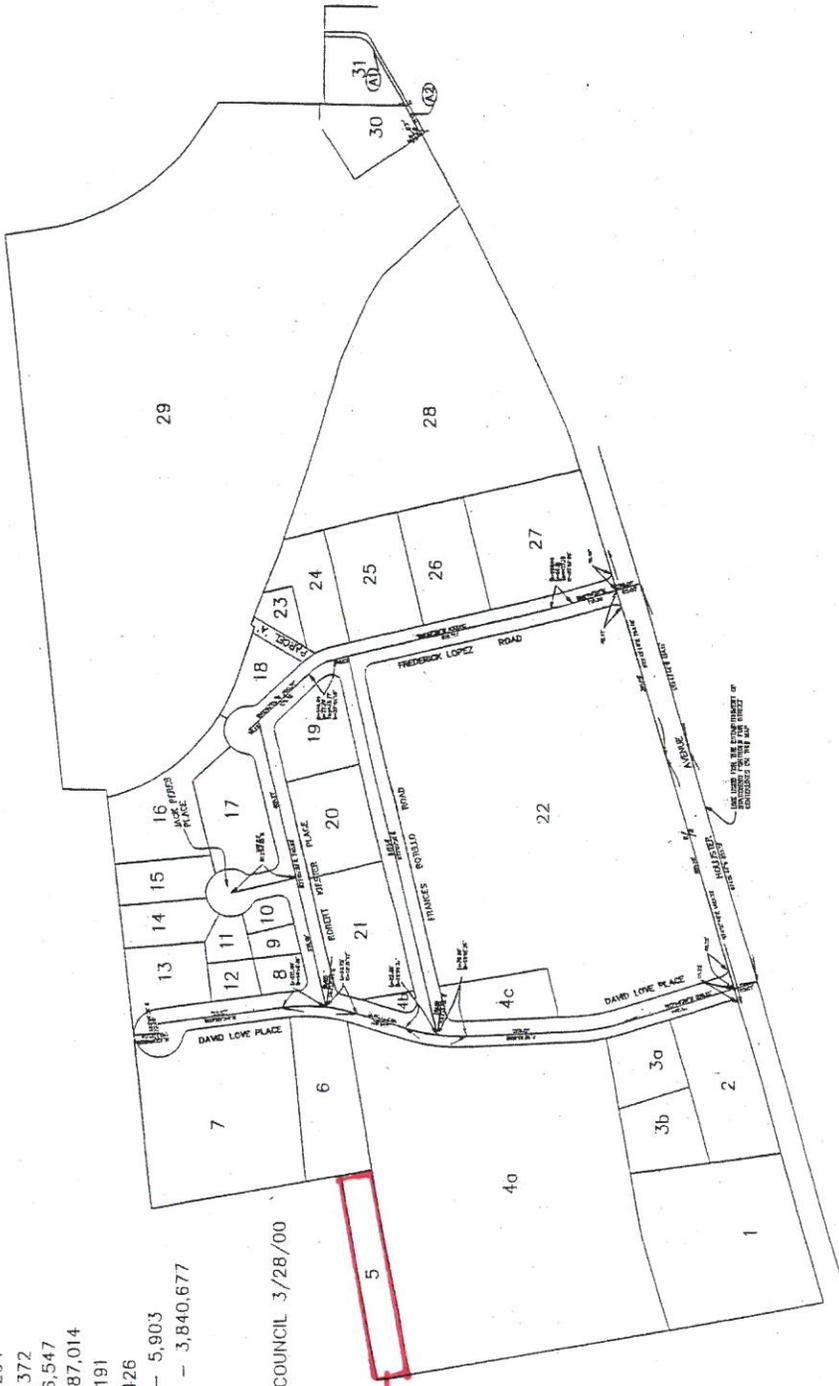


PARCEL AREA (SQ. FT.)

1 - 157,154.4	10 - 8,734	22 - 630,320
2 - 69,685	11 - 10,949	23 - 10,671
3a - 30,591	12 - 11,333	24 - 36,464
3b - 34,711	13 - 32,374	25 - 55,094
4a - 500,610	14 - 24,643	26 - 49,294
4b - 4,074	15 - 24,450	27 - 88,372
4c - 29,423	16 - 54,126	28 - 326,547
5 - 41,812	17 - 45,801	29 - 1,087,014
6 - 63,134	18 - 18,584	30 - 32,191
7 - 158,298	19 - 38,282	31 - 29,426
8 - 11,121	20 - 48,249	Parcel A - 5,903
9 - 8,453	21 - 62,739	Map Total - 3,840,677

*NOTE: ADOPTED BY SANTA BARBARA CITY COUNCIL 3/28/00

80 So. La. Patena Lane



PROJECT _____ SHEET NO. OF _____ SHEETS DATE: 4-4-00 DRAWN: C-3-	SCALE VERT. 1" = 300' HOR. 1" = 300'	CITY OF SANTA BARBARA PUBLIC WORKS DEPARTMENT-ENGINEERING DIVISION APPROVED: _____ DATE: _____ BY: _____ CITY ENGINEER	CITY OF SANTA BARBARA MUNICIPAL AIRPORT NORTH SIDE SPECIFIC PLAN PARCEL MAP
DESIGN: _____ DRAWN: _____ CHECKED: _____ IN CHARGE: _____ TITLE: _____ AUC: _____	REVISIONS NO. _____ DATE _____ APPROVED _____ DESCRIPTION _____		